

BrokerCheck Report

MICHAEL ALLAN BRESSMAN

CRD# 873973

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About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:

- o information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
- o information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources.

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)

Thank you for using FINRA BrokerCheck.

MICHAEL A. BRESSMAN

CRD# 873973

This broker is not currently registered.

Report Summary for this Broker



This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

Broker Qualifications

This broker is not currently registered.

This broker has passed:

- 0 Principal/Supervisory Exams
- 2 General Industry/Product Exams
- 3 State Securities Law Exams

Registration History

This broker was previously registered with the following securities firm(s):

- B FCG ADVISORS, LLC**
CRD# 40633
CHATHAM, NJ
02/2000 - 05/2018
- B MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED**
CRD# 7691
NEW YORK, NY
11/1979 - 01/2000

Disclosure Events

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

Are there events disclosed about this broker? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	4
Criminal	1
Investigation	1
Civil Event	1
Customer Dispute	5
Termination	2

Investment Adviser Representative Information

The information below represents the individual's record as a broker. For details on this individual's record as an investment adviser representative, visit the SEC's Investment Adviser Public Disclosure website at

<https://www.adviserinfo.sec.gov>

Broker Qualifications



Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This broker is not currently registered.



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below.

This individual has passed 0 principal/supervisory exams, 2 general industry/product exams, and 3 state securities law exams.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B Securities Industry Essentials Examination	SIE	05/16/2018
B General Securities Representative Examination	Series 7	11/17/1979

State Securities Law Exams

Exam	Category	Date
IA Uniform Investment Adviser Law Examination	Series 65	04/09/2015
B IA Uniform Combined State Law Examination	Series 66	07/11/2006
B Uniform Securities Agent State Law Examination	Series 63	01/08/1982

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at www.finra.org/brokerqualifications/registeredrep/.

Broker Qualifications



Professional Designations

This section details that the representative has reported **0** professional designation(s).

No information reported.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 02/2000 - 05/2018	FCG ADVISORS, LLC	40633	CHATHAM, NJ
B 11/1979 - 01/2000	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	7691	NEW YORK, NY

Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.

Employment	Employer Name	Position	Investment Related	Employer Location
01/2000 - Present	FCG ADVISORS LLC	REGISTERED REPRESENTATIVE	Y	CHATHAM, NJ, United States

Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

No information reported.



Disclosure Events

What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - o A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
 - o A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
 - o
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - o As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
 - o
4. **There are different statuses and dispositions for disclosure events:**
 - o A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - § A "pending" event involves allegations that have not been proven or formally adjudicated.
 - § An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - § A "final" event has been concluded and its resolution is not subject to change.
 - o A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - § An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - § A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - § A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Regulatory Event	0	4	0
Criminal	0	1	0
Civil Event	1	0	0
Customer Dispute	0	5	N/A
Investigation	1	N/A	N/A



Termination	N/A	2	N/A
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Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

Regulatory - Final

This type of disclosure event may involve (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of a broker's authority to act as an attorney, accountant, or federal contractor.

Disclosure 1 of 4

Reporting Source:	Regulator
Regulatory Action Initiated By:	New Jersey Bureau of Securities
Sanction(s) Sought:	Bar
Date Initiated:	03/18/2021
Docket/Case Number:	N/A
URL for Regulatory Action:	https://www.njconsumeraffairs.gov/Actions/Bressman_BarOrder_18Mar2021.pdf
Employing firm when activity occurred which led to the regulatory action:	FCG Advisors, LLC (CRD No. 40633)
Product Type:	No Product
Allegations:	BRESSMAN HAS BEEN CONVICTED OF CRIMES INVOLVING THEFT AND FRAUDULENT PRACTICES.
Current Status:	Final
Resolution:	Order



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Resolution Date:	03/18/2021
Sanctions Ordered:	Bar (Permanent) Other: Michael Allan Bressman shall be denied all exemptions contained in N.J.S.A. 49:3-50 subsection (a) paragraph 9, 10, and 11 and subsection (b). The exemptions to the registration requirements provided by N.J.S.A. 49:3-56(b), N.J.S.A. 49:3-56(c), and N.J.S.A. 49:3-56(g) are hereby denied as to Michael Allan Bressman.
Sanction 1 of 1	
Sanction Type:	Bar (Permanent)
Capacities Affected:	All Capacities
Duration:	
Start Date:	03/18/2021
End Date:	
Regulator Statement	Beginning as early as 2012 and continuing through at least February 2018, Bressman engaged in a "cherry picking" scheme pursuant to which he allocated profitable trades to his own account or that of two family members (the "Bressman Accounts"), while assigning unprofitable trades to the Client Accounts.

Disclosure 2 of 4

Reporting Source:	Regulator
Regulatory Action Initiated By:	FINRA
Sanction(s) Sought:	Suspension
Date Initiated:	10/10/2019
Docket/Case Number:	2019061168201
Employing firm when activity occurred which led to the regulatory action:	N/A



Product Type: No Product

Allegations: Respondent Michael Bressman failed to respond to FINRA request for information.

Current Status: Final

Resolution: Letter

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Resolution Date: 01/13/2020

Sanctions Ordered: Bar (Permanent)

If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise? No

(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?



(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or

(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Sanction 1 of 2

Sanction Type: Bar (Permanent)

Capacities Affected: All Capacities

Duration: Indefinite

Start Date: 01/13/2020

End Date:

Sanction 2 of 2



Sanction Type:	Suspension
Capacities Affected:	All Capacities
Duration:	n/a
Start Date:	11/04/2019
End Date:	01/12/2020
Regulator Statement	Pursuant to FINRA Rule 9552(h) and in accordance with FINRA's Notice of Suspension and Suspension from Association letters dated October 10, 2019 and November 4, 2019, respectively, on January 13, 2020, Bressman is barred from association with any FINRA member in all capacities. Respondent failed to request termination of his suspension within three months of the date of the Notice of Suspension; therefore, he is automatically barred from association with any FINRA member in all capacities.

Disclosure 3 of 4

Reporting Source:	Broker
Regulatory Action Initiated By:	FLORIDA BUREAU OF SECURITIES
Sanction(s) Sought:	Revocation
Other Sanction(s) Sought:	
Date Initiated:	01/05/2003
Docket/Case Number:	
Employing firm when activity occurred which led to the regulatory action:	MERRILL LYNCH
Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Allegations:	FOLLOWING NYSE SUSPENSION, FL DIVISION OF SECURITIES REVOKED MR. BRESSMANS REGISTRATION IN THE STATE OF FLORIDA.
Current Status:	Final
Resolution:	Order
Resolution Date:	01/05/2003



Sanctions Ordered: Revocation/Expulsion/Denial

Other Sanctions Ordered:

Sanction Details: MR. BRESSMAN'S LICENSE IN THE STATE OF FLORIDA WAS REVOKED.

Disclosure 4 of 4

Reporting Source: Regulator

Regulatory Action Initiated By: NEW YORK STOCK EXCHANGE

Sanction(s) Sought:

Other Sanction(s) Sought:

Date Initiated: 07/31/2002

Docket/Case Number: HPD# 02-184

Employing firm when activity occurred which led to the regulatory action:

Product Type: Other

Other Product Type(s):

Allegations: **07/31/2002** STIPULATION AND CONSENT FILED BY NYSE DIVISION OF ENFORCEMENT AND PENDING. CONSENTED TO FINDINGS: WITHOUT ADMITTING OR DENYING GUILT, CONSENTED TO FINDINGS: THAT HE VIOLATED EXCHANGE RULE 408(A) IN THAT HE EXERCISED DISCRETIONARY POWER IN CUSTOMERS' ACCOUNTS WITHOUT FIRST OBTAINING WRITTEN AUTHORIZATION OF THE CUSTOMER. THAT HE VIOLATED EXCHANGE RULE 408(B) IN THAT HE EXERCISED DISCRETIONARY POWER IN CUSTOMERS' ACCOUNTS WITHOUT FIRST NOTIFYING AND OBTAINING THE APPROVAL OF ANOTHER PERSON DELEGATED UNDER EXCHANGE RULE 342(B)(1) WITH THE AUTHORITY TO APPROVE THE HANDLING OF SUCH ACCOUNTS. CONSENTED TO SANCTION: THE IMPOSITION BY THE EXCHANGE OF THE PENALTY OF A CENSURE AND A TWO-MONTH BAR FROM MEMBERSHIP, ALLIED MEMBERSHIP, APPROVED PERSON STATUS, AND FROM EMPLOYMENT OR ASSOCIATION IN ANY CAPACITY WITH ANY EXCHANGE MEMBER OR MEMBER ORGANIZATION AND A \$15,000 FINE.

Current Status: Final



Resolution: Decision
Resolution Date: 10/31/2002
Sanctions Ordered: Bar
 Censure
 Monetary/Fine \$15,000.00

Other Sanctions Ordered:

Sanction Details: **09/24/2002** HEARING PANEL DECISION ISSUED (HPD 02-184)
 HEARING PANEL DECISION: ACCEPTED THE STIPULATION OF FACTS AND CONSENT TO PENALTY IN WHICH BRESSMAN, WITHOUT ADMITTING OR DENYING GUILT, CONSENTED TO A FINDING THAT HE VIOLATED EXCHANGE RULE 408(A) IN THAT HE EXERCISED DISCRETIONARY POWER IN CUSTOMERS' ACCOUNTS WITHOUT FIRST OBTAINING WRITTEN AUTHORIZATION OF THE CUSTOMER; AND VIOLATED EXCHANGE RULE 408(B) IN THAT HE EXERCISED DISCRETIONARY POWER IN CUSTOMERS' ACCOUNTS WITHOUT FIRST NOTIFYING AND OBTAINING THE APPROVAL OF ANOTHER PERSON DELEGATED UNDER EXCHANGE RULE 342(B)(1) WITH THE AUTHORITY TO APPROVE THE HANDLING OF SUCH ACCOUNTS. CENSURE, TWO-MONTH BAR AND \$15,000 FINE.

Regulator Statement **10/31/2002** THE DECISION IS NOW FINAL AND IS EFFECTIVE AT THE CLOSE OF BUSINESS ON NOVEMBER 22, 2002. CONTACT: PEGGY GERMINO (212) 656-8450.

Reporting Source: Broker
Regulatory Action Initiated By: NEW YORK STOCK EXCHANGE
Sanction(s) Sought:
Other Sanction(s) Sought:
Date Initiated: 07/31/2002
Docket/Case Number: HPD#02-184
Employing firm when activity occurred which led to the regulatory action: MERRILL LYNCH
Product Type: Equity Listed (Common & Preferred Stock)
Other Product Type(s):
Allegations: WITHOUT ADMITTING OR DENYING GUILT, CONSENTED TO FINDINGS: THAT



HE VIOLATED EXCHANGE RULE 408(A)IN THAT HE EXERCISED DISCRETIONARY POWER IN CUSTOMERS' ACCOUNTS WITHOUT FIRST OBTAINING WRITTEN AUTHORIZATION OF THE CUSTOMER. THAT HE VIOLATED EXCHANGE RULE 408(B)IN THAT HE EXERCISED DISCRETIONARY POWER IN CUSTOMERS' ACCOUNTS WITHOUT FIRST NOTIFYING AND OBTAINING THE APPROVAL OF ANOTHER PERSON DELEGATED UNDER EXCHANGE RULE 342(B)(1)WITH THE AUTHORITY TO APPROVE THE HANDLING OF SUCH ACCOUNTS.

Current Status: Final

Resolution: Stipulation and Consent

Resolution Date: 10/31/2002

Sanctions Ordered: Bar
Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered:

Sanction Details: MICHAEL BRESSMAN WITHOUT ADMITTING OR DENYING GUILT CONSENTED TO PENALTY CONSISTING OF CENSURE, TWO-MONTH BAR AND \$15000 FINE.

Broker Statement HEARING PANEL ACCEPTED STIPULATION OF FACTS AND CONSENT TO PENALTY IN WHICH BRESSMAN, WITHOUT ADMITTING OR DENYING GUILT, CONSENTED TO FINDING THAT HE VIOLATED EXCHANGE RULE 408(A)IN THAT HE EXERCISED DISCRETIONARY POWER IN CUSTOMERS' ACCOUNTS WITHOUT FIRST OBTAINING WRITTEN AUTHORIZATION OF THE CUSTOMER; AND VIOLATED EXCHANGE RULE 408(B)IN THAT HE EXERCISED DISCRETIONARY POWER IN CUSTOMERS' ACCOUNTS WITHOUT FIRST NOTIFYING AND OBTAINING APPROVAL OF ANOTHER PERSON DELEGATED UNDER EXCHANGE RULE 342(B)(1) WITH THE AUTHORITY TO APPROVE THE HANDLING OF SUCH ACCOUNTS.



Criminal - Final Disposition

This type of disclosure event involves a criminal charge against the broker that has resulted in a conviction, acquittal, dismissal, or plea. The criminal matter may pertain to any felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property.

Disclosure 1 of 1

Reporting Source:	Firm
Formal Charges were brought in:	Federal Court
Name of Court:	United States District Court
Location of Court:	District of Massachusetts
Docket/Case #:	18cr10315
Charge Date:	09/11/2018
Charge(s) 1 of 2	
Formal Charge(s)/Description:	Investment Adviser Fraud
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	Guilty
Disposition of charge:	
Charge(s) 2 of 2	
Formal Charge(s)/Description:	Securities Fraud
No of Counts:	1
Felony or Misdemeanor:	Felony
Plea for each charge:	Guilty
Disposition of charge:	
Current Status:	Final
Status Date:	08/07/2020
Disposition Date:	08/07/2020
Sentence/Penalty:	Two years in prison and 18 months of supervised release. Ordered to pay restitution of \$793,680 and to forfeit that same amount.



Reporting Source: Firm
Formal Charges were brought in: Federal Court
Name of Court: United States District Court
Location of Court: District of Massachusetts
Docket/Case #: 18cr10315
Charge Date: 09/11/2018
Charge(s) 1 of 2
Formal Charge(s)/Description: Investment Adviser Fraud
No of Counts: 1
Felony or Misdemeanor: Felony
Plea for each charge: Unknown
Disposition of charge:
Charge(s) 2 of 2
Formal Charge(s)/Description: Securities Fraud
No of Counts: 1
Felony or Misdemeanor: Felony
Plea for each charge: Unknown
Disposition of charge:
Current Status: Pending
Status Date:



Investigation

This type of disclosure event involves any ongoing formal investigation by an entity such as a grand jury state or federal agency, self-regulatory organization or foreign regulatory authority. Subpoenas, preliminary or routine regulatory inquiries, and general requests by a regulatory entity for information are not considered investigations and therefore are not included in a BrokerCheck report.

Disclosure 1 of 1

Reporting Source: Firm

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Notice Date: 02/13/2018

Details: Mr. Bressman was accused of, among other things, misusing the firm's allocation account in connection with his personal trades.

Is Investigation pending? No

Resolution Date: 08/07/2020

How was Investigation Resolved? Found guilty

Firm Statement Sentenced to 2 years in prison and 18 months of supervised release. Ordered to pay restitution of \$793,680 and to forfeit that same amount.

Reporting Source: Firm

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Notice Date: 02/13/2018

Details: Mr. Bressman was accused of, among other things, misusing the firm's allocation account in connection with his personal trades.

Is Investigation pending? Yes



Civil - Pending

This type of disclosure event involves a pending civil court action that seeks an injunction in connection with any investment-related activity or alleges a violation of any investment-related statute or regulation.

Disclosure 1 of 1

Reporting Source:	Regulator
Initiated By:	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Relief Sought:	Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Injunction Monetary Penalty other than Fines
Date Court Action Filed:	09/12/2018
Product Type:	Other: unspecified securities
Type of Court:	Federal Court
Name of Court:	United States District Court for the District of Massachusetts
Location of Court:	Boston, MA
Docket/Case #:	1:18cv11925
Employing firm when activity occurred which led to the action:	FCG WEALTH MANAGEMENT, LLC; FCG ADVISORS, LLC

Allegations: The Securities and Exchange Commission (the "Commission" or "SEC") alleges the following against defendant Michael A. Bressman ("Bressman" or "Defendant"): This case involves a fraudulent "cherry-picking" scheme carried out by Bressman in his role as a securities broker. From at least January 2012 through February 2018, Bressman secretly misused his access to his customers' brokerage accounts to enrich himself and two of his family members at the expense of his customers-most of whom were "Main Street" investors with relatively modest investment portfolios. As a result of his deceptive scheme, Bressman received at least \$700,000 in ill-gotten gains.

Cherry-picking occurs when a broker, who buys and sells securities on behalf of his brokerage customers, defrauds those customers by purchasing stock and then waiting to see whether the price of the stock goes up, or down, before allocating the trade. If the stock goes up, the broker keeps the trade for himself or a set of "favored" accounts. If the stock goes down, the broker puts the trades into other, disfavored customer accounts. In other words, the broker "cherry-picks" the profitable trades for himself or certain favored accounts, while giving unprofitable trades to his other customers.

To carry out the cherry-picking scheme here, Bressman frequently purchased large



quantities of stock using a block trading or "allocation" account (the "Allocation Account"). Bressman made these stock purchases without specifying whether the trade was for one or more of his brokerage customers or his own personal securities trading account. Then, Bressman typically waited to see whether the price of the stock he had purchased in the Allocation Account went up or down during the day of the trade (the "Trade Day"). If a stock's price went up, Bressman routinely transferred that stock from the Allocation Account to his own account (the "Personal Account") or an account jointly held by his sister-in-law and her husband (the "Family Account"). Most frequently, Bressman transferred the profitable trades to his Personal Account. By contrast, if the price of the stock went down during the Trade Day, Bressman routinely transferred the stock to one or more accounts held by his other customers (the "Customer Accounts").

In those instances that Bressman transferred a winning trade to his Personal Account, he often closed out the position on the same day. These "day trades" allowed Bressman to immediately lock in his gains. In those instances that Bressman transferred a losing trade to one or more Customer Accounts, he typically held the position in the Customer Account(s) for an extended period of time as a "buy and hold" investment. Through this scheme, Bressman misappropriated profits that should have gone to his Customer Accounts, and avoided losses that should have been borne by his Personal Account and the Family Account.

Bressman's conduct violated various antifraud statutes and Commission rules, including Sections 17(a)(1) and 17(a)(3) of the Securities Act of 1933 ("Securities Act") and Section 10(b) of the Securities Exchange Act ("Exchange Act") and Ruled 10b-5(a) and 10b-5(c) thereunder.

Current Status:	Pending
Limitations or Restrictions in Effect During Appeal:	n/a



Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

Disclosure 1 of 5

Reporting Source:	Firm
Employing firm when activities occurred which led to the complaint:	FCG Advisors, LLC
Allegations:	Claimant alleges that his accounts were unsuitably invested and over-concentrated in certain securities.
Product Type:	Equity-OTC
Alleged Damages:	\$0.00
Alleged Damages Amount Explanation (if amount not exact):	No damages are stated, but the firm has made a good faith determination that the damages from the alleged conduct would be greater than \$5,000.
Is this an oral complaint?	No
Is this a written complaint?	No
Is this an arbitration/CFTC reparation or civil litigation?	Yes
Arbitration/Reparation forum or court name and location:	FINRA
Docket/Case #:	18-04103
Filing date of arbitration/CFTC reparation or civil litigation:	11/30/2018

Customer Complaint Information

Date Complaint Received:	12/10/2018
Complaint Pending?	No
Status:	Settled
Status Date:	12/12/2019
Settlement Amount:	\$25,000.00



Individual Contribution Amount: \$0.00

Disclosure 2 of 5

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH

Allegations: THE CLIENTS ALLEGE THAT EVERY TRADE IN THEIR ACCOUNTS SINCE 1991 WAS UNAUTHORIZED. NO DAMAGES SPECIFIED.

Product Type: Equity - OTC

Other Product Type(s): MUTUAL FUNDS

Alleged Damages: \$0.00

Customer Complaint Information

Date Complaint Received: 07/26/2002

Complaint Pending? No

Status: Arbitration/Reparation

Status Date: 01/23/2003

Settlement Amount:

Individual Contribution Amount:

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD DR CASE NO. 03-00002

Date Notice/Process Served: 01/23/2003

Arbitration Pending? No

Disposition: Settled

Disposition Date: 11/19/2004

Monetary Compensation Amount: \$90,000.00

Individual Contribution Amount: \$0.00



Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH

Allegations: CLIENT ALLEGES TRADING IN THEIR ACCOUNTS SINCE 1991 WAS UNAUTHORIZED

Product Type: Equity - OTC

Other Product Type(s): MUTUAL FUNDS

Alleged Damages: \$0.00

Customer Complaint Information

Date Complaint Received: 07/26/2002

Complaint Pending? No

Status: Settled

Status Date: 10/06/2004

Settlement Amount: \$90,000.00

Individual Contribution Amount: \$15,000.00

Arbitration Information

Arbitration/Reparation Claim filed with and Docket/Case No.: NASD CASE NUMBER 03-00002

Date Notice/Process Served: 01/23/2003

Arbitration Pending? No

Disposition: Settled

Disposition Date: 10/06/2004

Monetary Compensation Amount: \$90,000.00

Individual Contribution Amount: \$15,000.00

Disclosure 3 of 5



Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH, PIERCE, FENNER & SMITH INC.

Allegations: IN A VERBAL COMPLAINT, THE CUSTOMER CLAIMS THAT HIS BROKER TOOK DISCRETION.

Product Type: Equity - OTC

Alleged Damages: \$17,098.00

Customer Complaint Information

Date Complaint Received: 01/29/2000

Complaint Pending? No

Status: Settled

Status Date: 05/16/2000

Settlement Amount: \$15,000.00

Individual Contribution Amount: \$0.00

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH

Allegations: IN A VERBAL COMPLAINT, THE CUSTOMER CLAIMS THAT HIS BROKER TOOK DISCRETION.

Product Type: Equity Listed (Common & Preferred Stock)

Alleged Damages: \$17,098.00

Customer Complaint Information

Date Complaint Received: 01/19/2000

Complaint Pending? No

Status: Settled

Status Date: 05/16/2000

Settlement Amount: \$15,000.00



Individual Contribution Amount: \$0.00

Disclosure 4 of 5

Reporting Source: Firm

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH, PIERCE, FENNER & SMITH INC.

Allegations: [CUSTOMER] ALLEGED THAT MR. BRESSMAN TRADED IN HER ACCOUNT WITHOUT HER AUTHORIZATION DURING THE YEARS 1998 AND 1999. IN ADDITION, [CUSTOMER] CLAIMED THAT HER ACCOUNT WAS CHURNED. NO SPECIFIC DAMAGES WERE CLAIMED.

Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s): EQUITY-OTC

Alleged Damages: \$0.00

Customer Complaint Information

Date Complaint Received: 11/23/1999

Complaint Pending? No

Status: Settled

Status Date: 09/20/2000

Settlement Amount: \$25,000.00

Individual Contribution Amount: \$0.00

Firm Statement TO AVOID THE COSTS AND UNCERTAINTIES OF LITIGATION MERRILL LYNCH MADE A BUSINESS DECISION TO SETTLE THIS MATTER.

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH

Allegations: IT WAS ALLEGED THAT MR. BRESSMAN EXERCISED DISCRETION FOR THE ACCOUNT OF [CUSTOMER] WITHOUT PRIOR WRITTEN AUTHORIZATION.

Product Type: Equity Listed (Common & Preferred Stock)



Other Product Type(s): MUTUAL FUNDS

Alleged Damages:

Customer Complaint Information

Date Complaint Received: 11/01/1999

Complaint Pending? No

Status: Settled

Status Date: 09/20/2000

Settlement Amount: \$25,000.00

Individual Contribution Amount: \$0.00

Disclosure 5 of 5

Reporting Source: Broker

Employing firm when activities occurred which led to the complaint: MERRILL LYNCH

Allegations: IT WAS ALLEGED THAT MR. BRESSMAN USED UNAUTHORIZED DISCRETION IN THESE ACCOUNTS. THE COMPLAINT SOUGHT \$280,000.

Product Type:

Alleged Damages: \$280,000.00

Customer Complaint Information

Date Complaint Received: 04/01/1987

Complaint Pending? No

Status: Settled

Status Date:

Settlement Amount: \$60,000.00

Individual Contribution Amount: \$20,000.00

Broker Statement

MERRILL LYNCH MADE A BUSINESS DECISION TO SETTLE



THE MATTER FOR A TOTAL OF \$60,000. MR. BRESSMAN CONTRIBUTED \$20,000 TOWARD THE SETTLEMENT.



Employment Separation After Allegations

This type of disclosure event involves a situation where the broker voluntarily resigned, was discharged, or was permitted to resign after being accused of (1) violating investment-related statutes, regulations, rules or industry standards of conduct; (2) fraud or the wrongful taking of property; or (3) failure to supervise in connection with investment-related statutes, regulations, rules, or industry standards of conduct.

Disclosure 1 of 2

Reporting Source: Firm

Employer Name: FCG Wealth Management

Termination Type: Discharged

Termination Date: 05/04/2018

Allegations: Mr. Bressman was discharged after allegations were made that accused him of, among other things, misusing the Firm's allocation account in connection with his personal trades.

Product Type: Equity-OTC
Equity Listed (Common & Preferred Stock)
Money Market Fund

Reporting Source: Firm

Employer Name: FCG Advisors, LLC.

Termination Type: Discharged

Termination Date: 05/04/2018

Allegations: Mr. Bressman was discharged after allegations were made that accused him of, among other things, misusing the Firm's allocation account in connection with his personal trades.

Product Type: Equity-OTC
Equity Listed (Common & Preferred Stock)
Money Market Fund

Disclosure 2 of 2

Reporting Source: Broker

Employer Name: MERRILL LYNCH

Termination Type: Discharged

Termination Date: 01/04/2000

Allegations: IT WAS ALLEGED THAT MR. BRESSMAN EXERCISED DISCRETION FOR THE



ACCOUNT OF CATHY MARINO WITHOUT WRITTEN CLIENT AUTHORIZATION.

Equity Listed (Common & Preferred Stock)

MUTUAL FUNDS

Product Type:

Other Product Types:

Broker Statement

MR. BRESSMAN WAS GIVEN VERBAL AUTHORIZATION FOR THE TRADES EXECUTED IN THE ACCOUNT FOR CATHY MARINO DURING THE YEARS 1998 & 1999. DURING THAT TIME MS. MARINO EXPRESSED SATISFACTION TO BOTH MR. BRESSMAN AND HIS BRANCH MANAGER ON THE MANAGEMENT OF HER PORTFOLIO. IN NOVEMBER OF 1999 MS. MARINO FILED A COMPLAINT STATING THAT SHE HAD NOT AUTHORIZED TRADING IN THE ACCOUNT. FOLLOWING THE COMPLAINT, MS. MARINO'S ACCOUNT WAS REASSIGNED FROM MR. BRESSMAN. MR. BRESSMAN WAS TERMINATED ON 1/4/2000.

End of Report



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